

WorkFirst Reexamination Workgroup

Focus Area Briefing Paper

Issue: Participation Requirements for Parents of Young Children

Considering the cost and availability of infant child care, are there opportunities for savings by exempting parents of children under 12 months old from WorkFirst activities?

Goal: Support for children

Description: WorkFirst parents of children under one year old are required to participate in a work activity called “Pregnancy to Employment Pathway” (PtE). The pathway is designed for individuals who are pregnant or parenting a child younger than 12 months. Intensive PtE services focusing on medical, social services, and employment needs of the parent, as well as the medical and developmental needs of the infant, are available through DSHS offices and contracted services. In July 2005, more than 8,000 WorkFirst adults were part of the Pregnancy to Employment Pathway.

While a parent with a newborn under four months old is exempt from WorkFirst participation requirements, she can volunteer to enter PtE during the first three months of their child’s life. Participation in PtE by the pregnant woman during her third trimester is also voluntary. Once the child turns four months old, however, participation in PtE is mandatory, which can include activities such as parenting classes, job readiness training, high school/GED completion, volunteering in a child care center or volunteering for half-time employment.

Parents in the PtE Pathway participate in an assessment by a DSHS social worker resulting in intensive services related to medical, social services, and employment needs of the parent, and the medical and developmental needs of the infant.

Of special note, parents are allowed a one-time exemption from full-time participation in WorkFirst. This exemption, which allows the parent to participate half-time or 20 hours per week, is for one child only. Parents with an infant between 4 months and 12 months old and choosing to take this exemption are required to participate 20 hours per week. Activities are determined in the DSHS social worker’s assessment.

Cost: PTE Pathway parents represent a significant part of the WorkFirst caseload. In June 2005, there were 2,749 adults participating via the PTE pathway at some point in the month—8% of the adults required to participate. Of the adults who started WorkFirst in April 2005, 306, or 8% of entrants, went directly into PTE participation.

Background: There currently is a wide variation among Community Services Offices (CSOs) on how the current PtE Pathway policy is implemented. All areas have some resources available to this population but because of budget cuts for contracted services some areas are finding it difficult to purchase added resources when there is not local community resource that provides these services for free.

Research results: Federal law gives states an explicit option to exclude families with infants from work participation requirements. In Washington state, looking at the January 2005 adult caseload, there were 9,706 such cases, or 27% of the adult caseload. Nearly all states exempt parents from work requirements for at least some months following the birth of a baby and most states and territories (29) exempt participation for a year or more.

Policy option: *Exempt parents with a child under 12 months from WorkFirst participation*
Eliminating the required hours of participation for parents of young children (under 12 months) could potentially reduce costs of child care, case management and/or social services, support services, contract services such as parenting classes, life skills, Families that Work etc. DSHS estimates those savings as approximately \$4.77 million per year. The offset, however, of increased grant costs of \$5.2 million would result in a net cost of approximately \$425,000 per year.

Category	DSHS assumptions	Savings/Cost
Increased Grant Costs	The length of stay on TANF would increase from 14 months to 17.	5,194,958
Decreased Child Care Costs	Approximately 4,100 cases per year would exercise the full-time exemption thus not needing WCCC	(2,564,020)
Decreased Support Service Costs	An estimated decrease of 6 months' worth of support services per case would result	(202,063)
Decreased Contract Costs	Contracted services would decrease from \$3,700 per case to \$2,500 per case	(1,080,000)
Decreased Staff Costs	An estimated decrease of 6 hours of DSHS staff support per case would result	(924,247)
Estimated Increase in Costs		\$ 424,628 per year

*Estimated increase in costs does not include any savings in the first year associated with the additional length of stay not fully recognized. Estimated costs per year are for second and subsequent years.

Policy makers could also look at reducing the number of hours (less than full-time) or length of time in the Pathway, rather than eliminating it.

The Sub 3 policy group has been planning to review current PtE policy and practice to determine if changes are needed.

Benefits: Given the cost and availability of infant child care and the value of a mother staying at home with a young child, this policy could be viewed as an improvement to the WorkFirst program and its support of families.

Risks or unintended consequences: Reducing or eliminating the required hours of participation for parents of young children (under 12 months) may have risks or unintended consequences:

- Reduce the number of parents gaining employment and exiting TANF
- Could encourage parents to have more children
- Diminishes the opportunity to provide pregnant and parenting women with needed health services for mother and babies and family planning services

- Decreases the opportunity for parents to receive social service support, parenting skills, adult basic education, life skills and training and/or wrap around services such as Families that Work
- Could increase social isolation of new mothers and decrease support systems